

DEBTOR(S): Blackjewel L.L.C.

MONTHLY OPERATING REPORT  
CHAPTER 11

CASE NUMBER: 19-bk-30289

COVER SHEET

For Period End Date: 8/31/2019

Accounting Method: Accrual Basis ☒ Cash Basis ☐

Mark One Box for Each  
Required Document:

Debtor must attach each of the following documents unless the U. S. Trustee  
has waived the requirement in writing. File the original with the Clerk of Court.  
Submit a duplicate, with original signature, to the U. S. Trustee.

Report/Document Attached	Previously Waived	REQUIRED REPORTS/DOCUMENTS
<input checked="" type="checkbox"/>	<input type="checkbox"/>	1. Statement of total cash receipts and disbursements
<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. Income statement that reflects net operating income or loss for the monthly period
<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. Statement of the increase or decrease in cash for the reporting period
<input checked="" type="checkbox"/>	<input type="checkbox"/>	4. Aging of accounts receivable
<input checked="" type="checkbox"/>	<input type="checkbox"/>	5. Aging of post-petition accounts payable
<input checked="" type="checkbox"/>	<input type="checkbox"/>	6. Statement of the tax withholding account
<input checked="" type="checkbox"/>	<input type="checkbox"/>	7. Statement of post-petition payments to secured creditors
<input checked="" type="checkbox"/>	<input type="checkbox"/>	8. Statements as to the general condition of the Debtor(s) in Possession's business

*I declare under penalty of perjury that the following Monthly Operating Report, and any  
attachments thereto are true, accurate and correct to the best of my knowledge and belief.*

Executed on:

11/11/19

Print Name:

Drew Kesler

Signature:

Drew Kesler

Title:

CFO

The summary below relates to the period from August 1, 2019 through August 31, 2019 (the “MOR Period”). Events occurring after the MOR Period will be reported in subsequent monthly operating reports, as applicable.

### **Bankruptcy Process**

Blackjewel L.L.C. and its affiliated debtors and debtors in possession (collectively, the “Debtors”) filed cases under Chapter 11 of the United States Bankruptcy Code, 11 U.S.C. § 101, *et seq.* (the “Bankruptcy Code”) on July 1, 2019 and July 24, 2019 (the “Petition Date”). The Debtors are continuing in possession of their property and are operating and managing their business and affairs as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

Pursuant to the Court’s order authorizing the sale of substantially all of the Debtors’ assets in accordance with certain approved bidding procedures, the Debtors conducted an auction on August 1, 2019 which concluded on August 4, 2019 (the “Auction”). At the conclusion of the Auction, the Debtors declared ten successful bidders and on August 5, 2019 and August 6, 2019, the Court held a hearing (the “Sale Hearing”) to consider approval of the sale of the Debtors’ assets to the successful bidders. At the conclusion of the Sale Hearing, the Court approved all of the proposed sales and overruled all objections. The Court subsequently entered orders approving the sale and sale terms of the sales to Mark Energy, LLC [Doc. No. 645]; John Deere Construction and Forestry Company [Doc. No. 666]; Rhino Energy LLC [Doc. No. 916]; Sulzer Electro Mechanical Services (US), Inc. [Doc. No. 919]; Tye Fork Coal Company, Inc. [Doc. No. 920]; Coking Coal, LLC [Doc. No. 963]; Kopper Glo Mining LLC [Docket Nos. 1096 and 1100] and Dean-McAfee Lenders [Docket No. 1214].

During the Sale Hearing, the Court also approved the sale of the Western Assets and Pax Assets to Contura Energy, Inc. (“Contura”). However, despite extensive negotiations with various governmental authorities, the approvals required to close the sale of the Western Assets to Contura were not obtained. The Debtors thereafter elected to bifurcate the sale of the Western Assets and the Pax Assets and sought the Court’s authority to sell only the Pax Assets to Contura. On August 30, 2019, the Bankruptcy Court entered an order approving the sale of the Pax Assets to Contura [Docket No. 964].

On August 5, 2019 and August 9, 2019, the U.S. Department of Labor (“DOL”) filed motions in the Court to halt the movement of coal located in Harland County, Kentucky and Raven and Honaker, Virginia (the “Disputed Coal”). On August 20, 2019 and August 22, 2019, the DOL filed complaints and motions seeking temporary restraining orders in the Virginia and Kentucky district courts, respectively, regarding any attempted movement of the Disputed Coal, which motions were both initially granted. The Court held a hearing on the Disputed Coal – characterized by the DOL as “hot goods” – on August 23, 2019, and ordered the parties to coordinate the scheduling of an evidentiary hearing. The Court scheduled such evidentiary hearing for September 4 and 5, 2019.

On August 15, 2019, the Debtors filed their schedules and statements of financial affairs. On August 21, 2019, the Debtors attended the section 341 meeting of creditors.

Finally, on August 25, 2019, the Debtors filed a motion to reject and terminate their health insurance plan with United Healthcare Services, Inc. and to enter into a new health insurance plan for their current employees, which the Court granted on August 30, 2019.

### CASH RECEIPTS AND DISBURSEMENTS STATEMENT (CURRENT MONTH)

8/1/2019 to 8/31/2019 Month 8-19

## CASH FLOW SUMMARY

[illegible]

**Form 2-B**  
**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

For Period: 8/1/2019 to 8/31/2019

**CASH RECEIPTS DETAIL**

**Account No:**

\*2824 and \*4445

*(attach additional sheets as necessary)*

Date	Payer	Entity	Description	Amount (USD\$)
8/2/2019	Blackjewel Marketing and Sales	Blackjewel L.L.C.	Sales	142,033.91
8/9/2019	Blackjewel Marketing and Sales	Blackjewel L.L.C.	Sales	178,397.76
8/16/2019	Blackjewel Marketing and Sales	Blackjewel L.L.C.	Sales	430,833.52
8/23/2019	Blackjewel Marketing and Sales	Blackjewel L.L.C.	Sales	1,507.84
8/30/2019	Blackjewel Marketing and Sales	Blackjewel L.L.C.	Sales	1,381,182.32
8/1/2019	4th Gen Fuels	Blackjewel L.L.C.	Sale of Assets	2,000.00
8/1/2019	Met Coals / J3 Metals	Blackjewel L.L.C.	Sale of Assets	2,000.00
8/1/2019	Ultra Energy	Blackjewel L.L.C.	Sale of Assets	10,000.00
8/8/2019	Mark Energy	Blackjewel L.L.C.	Sale of Assets	2,000.00
8/9/2019	Sulzer Energy	Blackjewel L.L.C.	Sale of Assets	50,000.00
8/9/2019	Nally & Hamilton	Blackjewel L.L.C.	Sale of Assets	400,000.00
8/14/2019	Rhino Energy	Blackjewel L.L.C.	Sale of Assets	850,000.00
8/23/2019	Coking Coal	Blackjewel L.L.C.	Sale of Assets	50,000.00
<b>Total Sales</b>				\$ 2,133,955.35
<b>Total Intercompany Transfers</b>				0.00
<b>Total Sale of Assets</b>				1,366,000.00
<b>Total Miscellaneous</b>				0.00
<b>Total Cash Receipts</b>				<u>\$ 3,499,955.35</u> [1]

[1] Excludes cash activity between debtor accounts.

DEBTOR(S): Blackjewel L.L.C. CASE NO: 19-bk-30289

**Form 2-B**  
**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

For Period: 8/1/2019 to 8/31/2019

**CASH DISBURSEMENTS DETAIL**  
*(attach additional sheets as necessary)*

Account No:

\*2824 and \*4445

Entity	Date <sup>[1]</sup>	Check No.	Payee	Description (Purpose)	Amount (USD\$)
Blackjewel L.L.C.	8/2/2019		United Bank - Bank Fees	Operations	164.00
Blackjewel L.L.C.	8/2/2019		UHC Claims	Operations	84,643.49
Blackjewel L.L.C.	8/2/2019		K. Hatfield	Operations	37,779.00
Blackjewel L.L.C.	8/2/2019		Mountaineer Investigation	Operations	10,848.50
Blackjewel L.L.C.	8/2/2019		P&P Construction	Operations	36,677.13
Blackjewel L.L.C.	8/2/2019		720 - Taxes	Operations	41,729.56
Blackjewel L.L.C.	8/2/2019		Centurylink Communication	Operations	7,411.50
Blackjewel L.L.C.	8/2/2019		Utilities	Operations	1,035.99
Blackjewel L.L.C.	8/2/2019		Cipriani & Werner	Operations	5,000.00
Blackjewel L.L.C.	8/2/2019		Clearwater Investment - Rent	Operations	3,750.00
Blackjewel L.L.C.	8/2/2019		Paul Higginbotham (Cleaning)	Operations	225.00
Blackjewel L.L.C.	8/2/2019		CT Company	Operations	3,071.06
Blackjewel L.L.C.	8/2/2019		Expense Checks	Operations	602.87
Blackjewel L.L.C.	8/2/2019		Joe Jacobs	Operations	11,500.00
Blackjewel L.L.C.	8/2/2019		Black Hills Energy	Operations	340.95
Blackjewel L.L.C.	8/2/2019		City of Gillette	Operations	804.38
Blackjewel L.L.C.	8/2/2019		CSC Leasing Company	Operations	9,188.18
Blackjewel L.L.C.	8/2/2019		Enterprise Fleet Mgmt	Operations	16,913.50
Blackjewel L.L.C.	8/2/2019		Inter Mountain Laboratories	Operations	9,804.00
Blackjewel L.L.C.	8/2/2019		L&H Industrial	Operations	18,707.20
Blackjewel L.L.C.	8/2/2019		Malta Ready Mix	Operations	62,100.00
Blackjewel L.L.C.	8/2/2019		US Postal Service	Operations	1,240.00
Blackjewel L.L.C.	8/2/2019		Visionary Communications	Operations	6,489.11
Blackjewel L.L.C.	8/2/2019		Williams Scottsman	Operations	4,292.98
Blackjewel L.L.C.	8/2/2019		Wyoming Machinery	Operations	809.21
Blackjewel L.L.C.	8/2/2019		Wyoming Quality Healthcare	Operations	65,869.74
Blackjewel L.L.C.	8/9/2019		United Bank - Bank Fees	Operations	239.00
Blackjewel L.L.C.	8/9/2019		CAPP Payroll	Operations	239,267.56
Blackjewel L.L.C.	8/9/2019		PRB Payroll	Operations	162,079.44
Blackjewel L.L.C.	8/9/2019		CAPP 401K	Operations	26,976.71
Blackjewel L.L.C.	8/9/2019		PRB 401K	Operations	22,428.21
Blackjewel L.L.C.	8/9/2019		CAPP H.S.A.	Operations	2,897.74
Blackjewel L.L.C.	8/9/2019		PRB H.S.A.	Operations	7,625.24
Blackjewel L.L.C.	8/9/2019		Child Support/Garnishments - PRB	Operations	1,444.47
Blackjewel L.L.C.	8/9/2019		941 - CAPP	Operations	94,729.26
Blackjewel L.L.C.	8/9/2019		941 - PRB	Operations	54,251.53
Blackjewel L.L.C.	8/9/2019		UHC Claims	Operations	166,413.07
Blackjewel L.L.C.	8/9/2019		K. Hatfield	Operations	37,901.50
Blackjewel L.L.C.	8/9/2019		P&P Construction	Operations	37,232.13
Blackjewel L.L.C.	8/9/2019		Alpha Tech	Operations	39,150.74
Blackjewel L.L.C.	8/9/2019		Cipriani & Werner	Operations	5,000.00
Blackjewel L.L.C.	8/9/2019		Paul Higginbotham (Cleaning)	Operations	225.00
Blackjewel L.L.C.	8/9/2019		Harms Oil	Operations	18,083.47
Blackjewel L.L.C.	8/9/2019		Nalco	Operations	25,200.00
Blackjewel L.L.C.	8/16/2019		United Bank - Bank Fees	Operations	607.44
Blackjewel L.L.C.	8/16/2019		VA W/H	Operations	4,768.00
Blackjewel L.L.C.	8/16/2019		UHC Claims	Operations	24,358.98
Blackjewel L.L.C.	8/16/2019		K. Hatfield	Operations	37,901.50
Blackjewel L.L.C.	8/16/2019		Mountaineer Investigation	Operations	6,720.00
Blackjewel L.L.C.	8/16/2019		P&P Construction	Operations	37,903.38
Blackjewel L.L.C.	8/16/2019		Hughes Net	Operations	866.43
Blackjewel L.L.C.	8/16/2019		Kentucky Utilities	Operations	49,318.67
Blackjewel L.L.C.	8/16/2019		Milton Municipal	Operations	305.09
Blackjewel L.L.C.	8/16/2019		Windstream	Operations	1,219.01
Blackjewel L.L.C.	8/16/2019		Quest Energy	Operations	399,950.00

DEBTOR(S): Blackjewel L.L.C. CASE NO: 19-bk-30289

**Form 2-B**  
**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

For Period: 8/1/2019 to 8/31/2019

**CASH DISBURSEMENTS DETAIL**  
*(attach additional sheets as necessary)*

Account No:

\*2824 and \*4445

Entity	Date <sup>[1]</sup>	Check No.	Payee	Description (Purpose)	Amount (USD\$)
Blackjewel L.L.C.	8/16/2019		Alpha Tech	Operations	25,248.30
Blackjewel L.L.C.	8/16/2019		Cipriani & Werner	Operations	5,000.00
Blackjewel L.L.C.	8/16/2019		Paul Higginbotham (Cleaning)	Operations	225.00
Blackjewel L.L.C.	8/16/2019		Jones Oil	Operations	5,479.30
Blackjewel L.L.C.	8/16/2019		City of Gillette	Operations	713.05
Blackjewel L.L.C.	8/16/2019		Harms Oil	Operations	43,000.00
Blackjewel L.L.C.	8/16/2019		Honcoop	Operations	2,695.80
Blackjewel L.L.C.	8/16/2019		Interstate Power Systems	Operations	2,633.86
Blackjewel L.L.C.	8/16/2019		Inter Mountain Laboratories	Operations	204.00
Blackjewel L.L.C.	8/16/2019		Nalco	Operations	16,800.00
Blackjewel L.L.C.	8/16/2019		Record Supply	Operations	677.24
Blackjewel L.L.C.	8/16/2019		SGS North America	Operations	4,345.08
Blackjewel L.L.C.	8/16/2019		Skarshaug Testing Laboratory	Operations	699.32
Blackjewel L.L.C.	8/16/2019		SLS West	Operations	7,089.01
Blackjewel L.L.C.	8/16/2019		Tisdale Creek Ranch	Operations	2,375.52
Blackjewel L.L.C.	8/16/2019		Western Fuels	Operations	1,056.53
Blackjewel L.L.C.	8/16/2019		Wyoming Quality Healthcare	Operations	26,717.43
Blackjewel L.L.C.	8/23/2019		United Bank - Bank Fees	Operations	314.00
Blackjewel L.L.C.	8/23/2019		CAPP Payroll	Operations	237,219.44
Blackjewel L.L.C.	8/23/2019		PRB Payroll	Operations	199,462.12
Blackjewel L.L.C.	8/23/2019		PRB 401K	Operations	3,804.00
Blackjewel L.L.C.	8/23/2019		CAPP H.S.A.	Operations	2,386.20
Blackjewel L.L.C.	8/23/2019		PRB H.S.A.	Operations	6,875.73
Blackjewel L.L.C.	8/23/2019		Child Support/Garnishments - PRB	Operations	342.46
Blackjewel L.L.C.	8/23/2019		941 - CAPP	Operations	92,462.86
Blackjewel L.L.C.	8/23/2019		941 - PRB	Operations	66,627.49
Blackjewel L.L.C.	8/23/2019		VA W/H	Operations	4,418.00
Blackjewel L.L.C.	8/23/2019		UHC Admin/Stop Loss/Vision	Operations	210,953.41
Blackjewel L.L.C.	8/23/2019		UHC Claims	Operations	51,066.52
Blackjewel L.L.C.	8/23/2019		K. Hatfield	Operations	37,901.50
Blackjewel L.L.C.	8/23/2019		Mountaineer Investigation	Operations	3,360.00
Blackjewel L.L.C.	8/23/2019		P&P Construction	Operations	40,656.88
Blackjewel L.L.C.	8/23/2019		Centurylink Communication	Operations	6,329.57
Blackjewel L.L.C.	8/23/2019		Kentucky Utilities	Operations	274,350.34
Blackjewel L.L.C.	8/23/2019		Powder River Energy	Operations	281,836.14
Blackjewel L.L.C.	8/23/2019		Utility Escrow	Operations	245,964.00
Blackjewel L.L.C.	8/23/2019		Windstream	Operations	1,009.49
Blackjewel L.L.C.	8/23/2019		Cipriani & Werner	Operations	5,000.00
Blackjewel L.L.C.	8/23/2019		Paul Higginbotham (Cleaning)	Operations	225.00
Blackjewel L.L.C.	8/23/2019		Merrill Corp	Operations	10,543.20
Blackjewel L.L.C.	8/23/2019		Expense Checks	Operations	2,949.60
Blackjewel L.L.C.	8/23/2019		Marshall Miller	Operations	27,686.10
Blackjewel L.L.C.	8/23/2019		Shelton, Branham & Halbert	Operations	10,000.00
Blackjewel L.L.C.	8/23/2019		United Industrial	Operations	16,500.00
Blackjewel L.L.C.	8/23/2019		Energy Laboratories, Inc.	Operations	9.50
Blackjewel L.L.C.	8/23/2019		Enterprise Fleet Mgmt	Operations	14,922.95
Blackjewel L.L.C.	8/23/2019		Harms Oil	Operations	26,841.08
Blackjewel L.L.C.	8/23/2019		Howard Supply Co	Operations	964.66
Blackjewel L.L.C.	8/23/2019		Inter Mountain Laboratories	Operations	11,563.55
Blackjewel L.L.C.	8/23/2019		Joy Global	Operations	30,898.54
Blackjewel L.L.C.	8/23/2019		Komatsu	Operations	4,200.00
Blackjewel L.L.C.	8/23/2019		Nalco	Operations	16,800.00
Blackjewel L.L.C.	8/23/2019		Norco	Operations	223.04
Blackjewel L.L.C.	8/23/2019		Rail Link	Operations	53,200.00
Blackjewel L.L.C.	8/23/2019		SGS North America	Operations	1,221.60

DEBTOR(S): Blackjewel L.L.C. CASE NO: 19-bk-30289

**Form 2-B**  
**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

For Period: 8/1/2019 to 8/31/2019

**CASH DISBURSEMENTS DETAIL**  
*(attach additional sheets as necessary)*

Account No:

\*2824 and \*4445

Entity	Date <sup>[1]</sup>	Check No.	Payee	Description (Purpose)	Amount (USD\$)
Blackjewel L.L.C.	8/23/2019		SLS West	Operations	70.74
Blackjewel L.L.C.	8/23/2019		Tru Tech	Operations	15,198.85
Blackjewel L.L.C.	8/23/2019		Visionary Communications	Operations	6,489.11
Blackjewel L.L.C.	8/23/2019		Water Guy	Operations	1,392.25
Blackjewel L.L.C.	8/23/2019		Williams Scottsman	Operations	4,292.68
Blackjewel L.L.C.	8/30/2019		United Bank - Bank Fees	Operations	303.00
Blackjewel L.L.C.	8/30/2019		Impact Energy Trust	Operations	88,641.50
Blackjewel L.L.C.	8/30/2019		K. Hatfield	Operations	37,901.50
Blackjewel L.L.C.	8/30/2019		Mountaineer Investigation	Operations	6,756.00
Blackjewel L.L.C.	8/30/2019		P&P Construction	Operations	42,128.63
Blackjewel L.L.C.	8/30/2019		American Electric Power	Operations	130,741.32
Blackjewel L.L.C.	8/30/2019		Centurylink Communication	Operations	1,581.53
Blackjewel L.L.C.	8/30/2019		Cumberland Valley Electric	Operations	34,939.86
Blackjewel L.L.C.	8/30/2019		Kentucky Utilities	Operations	32,135.61
Blackjewel L.L.C.	8/30/2019		Marlin Capital	Operations	901.14
Blackjewel L.L.C.	8/30/2019		Milton Municipal	Operations	577.84
Blackjewel L.L.C.	8/30/2019		Powder River Energy	Operations	10,675.36
Blackjewel L.L.C.	8/30/2019		South Kentucky REC	Operations	1,228.66
Blackjewel L.L.C.	8/30/2019		Windstream	Operations	5,369.94
Blackjewel L.L.C.	8/30/2019		ONRR	Operations	410,115.50
Blackjewel L.L.C.	8/30/2019		Cipriani & Werner	Operations	5,000.00
Blackjewel L.L.C.	8/30/2019		Paul Higginbotham (Cleaning)	Operations	225.00
Blackjewel L.L.C.	8/30/2019		Expense Checks	Operations	730.66
Blackjewel L.L.C.	8/30/2019		Jones Oil	Operations	2,499.00
Blackjewel L.L.C.	8/30/2019		United Industrial	Operations	3,500.00
Blackjewel L.L.C.	8/30/2019		BJ Nelson, Inc	Operations	1,375.08
Blackjewel L.L.C.	8/30/2019		Black Hills Energy	Operations	80.16
Blackjewel L.L.C.	8/30/2019		Buckley Powder	Operations	11,953.38
Blackjewel L.L.C.	8/30/2019		CSC Leasing Company	Operations	9,188.18
Blackjewel L.L.C.	8/30/2019		Harms Oil	Operations	86,400.00
Blackjewel L.L.C.	8/30/2019		Howard Supply Co	Operations	412.28
Blackjewel L.L.C.	8/30/2019		Komatsu	Operations	5,000.00
Blackjewel L.L.C.	8/30/2019		Legacy Innovations	Operations	20,569.50
Blackjewel L.L.C.	8/30/2019		Malta Ready Mix	Operations	62,100.00
Blackjewel L.L.C.	8/30/2019		Nalco	Operations	16,800.00
Blackjewel L.L.C.	8/30/2019		Norco	Operations	6,186.99
Blackjewel L.L.C.	8/30/2019		Powder River Heating & Air Conditioning	Operations	13,041.10
Blackjewel L.L.C.	8/30/2019		Purvis Industries	Operations	8,878.63
Blackjewel L.L.C.	8/30/2019		Record Supply	Operations	35.69
Blackjewel L.L.C.	8/30/2019		RMS	Operations	1,400.00
Blackjewel L.L.C.	8/30/2019		SABIA	Operations	50.00
Blackjewel L.L.C.	8/30/2019		Safety Kleen Systems	Operations	4,344.94
Blackjewel L.L.C.	8/30/2019		SGS North America	Operations	693.00
Blackjewel L.L.C.	8/30/2019		US Postal Service	Operations	300.00
Blackjewel L.L.C.	8/30/2019		Wyoming Machinery	Operations	476.79

\$ **5,184,790.73** [2]

**Notes:**

[1] All disbursements are assumed to have occurred on Fridays for weeks ending Sunday.

[2] Excludes cash activity between debtor accounts.

**SUPPORTING SCHEDULES**

For Period: 8/1/2019 to 8/31/2019

<b>Accounts Receivable Aging Summary (attach detailed aging report)</b>					
	30 days or less	31 to 60 days	61 to 90 days	Over 90 days	Total at month end
Pre-petition receivables	\$ -	\$ -	\$ -	\$ -	\$ -
Post-petition receivables <sup>[1]</sup>	\$ 3,259,439	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 3,259,439</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

<b>Post-Petition Accounts Payable Aging Summary (attach detailed aging report)</b>					
	30 days or less	31 to 60 days	61 to 90 days	Over 90 days	Total at month end
Trade Payables	\$ 2,242,234	\$ 171,185	\$ -	\$ -	\$ 2,413,420
Other Payables	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 2,242,234</b>	<b>\$ 171,185</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,413,420</b>

<b>SCHEDULE OF PAYMENTS TO ATTORNEYS AND OTHER PROFESSIONALS</b>					
	Month-end Retainer Balance	Current Month's Accrual	Paid in Current Month	Court Approval Date	Month-end Balance Due <sup>[2]</sup>
Squire Patton Boggs (US) LLP	\$ 7,321	\$ 1,682,704	\$ -	8/13/2019	\$ 3,094,294
FTI Consulting, LLC	-	905,171	-	8/13/2019	1,891,719
Jefferies	-	150,000	-	8/13/2019	300,000
Supple Law Office, PLLC	12,820	27,780	-	8/13/2019	64,200
Prime Clerk	-	186,667	-	8/13/2019 & 8/21/2019	326,002
Berkeley Research Group, LLC	-	96,530	-	8/27/2019	208,194
Whiteford Taylor Preston, LLP	-	278,268	-	8/13/2019	577,053
<b>Total</b>	<b>\$ 20,141</b>	<b>\$ 3,327,119</b>	<b>\$ -</b>		<b>\$ 6,461,461</b>

<b>SCHEDULE OF PAYMENTS AND TRANSFERS TO PRINCIPALS/EXECUTIVES</b>			
Payee Name	Position	Nature of Payment	Amount
Drew Kesler	CFO	Wages	\$ 16,385
Drew Kesler	CFO	Expenses	1,979
Chris Slone	COO (East)	Wages	22,004
Joff Pilon	COO (West)	Wages	20,500

Notes:<sup>[1]</sup> All post-petition accounts receivable are from Blackjewel Marketing & Sales LLC.<sup>[2]</sup> Balance due to include fees and expenses incurred but not yet paid.

**SUPPORTING SCHEDULES**

For Period: 8/1/2019 to 8/31/2019

Summary of Post-Petition Taxes				
Type of tax	1	2	3	4
	Unpaid post-petition taxes from prior reporting month(1)	Post-petition taxes accrued this month (new obligations)	Post-petition tax payments made this reporting month	Unpaid post-petition taxes at end of reporting month (columns 1+2-3)
<b>Federal</b>				
Employee income tax withheld		\$143,056	\$143,056	
Employee FICA taxes withheld		82,507	82,507	
Employer FICA taxes	33,345	82,507	82,507	33,345
Unemployment taxes				
Other:				
<b>State</b>				
Sales, use & excise taxes	31,772	106,419	41,730	96,461
Unemployment taxes	126	94		220
Other: KY, VA, WV, OH income tax withheld	130	33,399	9,186	24,343
<b>Local</b>				
Real and personal property taxes	473,388	473,388		946,775
<b>Total unpaid post-petition taxes</b>				<b>\$1,101,144</b>

[1] For first report, the beginning balance in column 1 will be \$0; thereafter, beginning balance will be ending balance from prior report.

**Statement of post-petition payments to secured creditors**

The Debtors made no post-petition payments to secured creditors during August 2019.

**Insurance Coverage Summary**

Pursuant to the Interim Order (I) Authorizing the Debtors to (A) Continue Insurance Coverage Entered Into Prepetition and Satisfy Prepetition Obligations Related Thereto, Including Premium Financing, and (B) Renew, Supplement, or Purchase Insurance Policies; (II) Authorizing Banks to Honor and Process Check and Electronic Transfer Requests Related Thereto; and (III) Granting Related Relief; Docket No. 282 entered on July 23, 2019, the Debtors were authorized to maintain their Insurance Programs and pay Insurance Obligations without interruption and in accordance with the same practices and procedures as were in effect prior to the commencement of the Debtors' chapter 11 cases. A listing of the Debtors' insurance policies was attached as Exhibit C to Docket No. 116.

**Blackjewel L.L.C.**  
**August Accounts Payable**

Name	Amount				Total
	30 Days or less	31 to 60 Days	61 to 90 Days	Over 90 days	
AIRGAS USA LLC	-	1,849	-	-	1,849
Alpha Technologies Inc	1,517	1,433	-	-	2,950
Appalachian Power	83,361	-	-	-	83,361
Appalachian Wireless	155	-	-	-	155
AT&T	5,902	1,891	-	-	7,792
BCN Telecom Inc.	7,331	-	-	-	7,331
Black Diamond Insurance Group, LLC	1,040	-	-	-	1,040
Black Mountain Utility District	848	-	-	-	848
Buchanan County Public Service Authority	505	-	-	-	505
CENTURYLINK COMMUNICATIONS LLC	189	44	-	-	233
CHAPTER 13 TRUSTEE EDKY	-	5,582	-	-	5,582
Cintas Corporation	99	-	-	-	99
Cisco Systems Capital CRP	1,209	-	-	-	1,209
Coca Cola Bottling Co	760	-	-	-	760
Comcast Cable	525	276	-	-	801
Comfort Inn Big Stone Gap	154	-	-	-	154
Cumberland Valley Electric, Inc.	33,679	-	-	-	33,679
Department of the Treasury - 720	75,528	-	-	-	75,528
Dump Your Junk LLC	450	682	-	-	1,132
East Kentucky Rental & Supply, Inc.	842	-	-	-	842
ENERGY LABORATORIES INC	3,729	-	-	-	3,729
Frontier Communications	1,404	515	-	-	1,919
GEOTECH ENVIRONMENTAL EQUIPMENT INC	132	-	-	-	132
Hinkle Lumber	7,568	-	-	-	7,568
HONCOOP TECHNOLOGY SVCS	18	-	-	-	18
Hughes Network Systems, LLC	1,570	-	-	-	1,570
Hyden-Leslie Co. Water District	146	26	-	-	172
ICF JONES & STOKES INC	380	-	-	-	380
IMPACT ENERGY HEALTH TRUST	-	59,040	-	-	59,040
Jacobs Risk Managment, Inc	11,500	-	-	-	11,500
Jones Oil Company, Inc.	1,743	-	-	-	1,743
KENTUCKY DEPARTMENT OF REVENUE	18,080	-	-	-	18,080
Kentucky Power Company	19,365	-	-	-	19,365
KOMAX, LLC.	952	-	-	-	952
KU PPL Company	486,887	229	-	-	487,116
Lee County Public Service Authority	291	-	-	-	291
Lusk Disposal Service, Inc.	1,042	-	-	-	1,042
Marlin Business Bank	1,591	-	-	-	1,591
Milton Municipal Utilities Commission	622	-	-	-	622
Mountaineer Investigation & Security	35,758	-	-	-	35,758
NORCO INC	6,199	-	-	-	6,199
Norfolk Southern Railway Company	739	-	-	-	739
Northwestern Mutual Life	-	1,813	-	-	1,813
ODP	128,484	3,316	-	-	131,800
OPTUM BANK	2,386	-	-	-	2,386
Orkin	91	-	-	-	91
P & P Construction	46,955	-	-	-	46,955
P&A Engineers and Consultants, Inc.	1,795	-	-	-	1,795
POWDER RIVER ENERGY CORP	202,135	-	-	-	202,135

**Blackjewel L.L.C.**  
**August Accounts Payable**

Name	Amount				
	30 Days or less	31 to 60 Days	61 to 90 Days	Over 90 days	Total
Powell Valley Stone Co. Inc	3,621	-	-	-	3,621
PRUDENTIAL GROUP INSURANCE	-	73,430	-	-	73,430
Purchase Power	189	-	-	-	189
RAIL LINK INC	53,200	-	-	-	53,200
Randall Watts	217	-	-	-	217
Republic Services, Inc.	377	-	-	-	377
Rockwood Casualty Insurance Company	787,093	-	-	-	787,093
Russell County PSA	45	-	-	-	45
S G S NORTH AMERICA INC	8,587	-	-	-	8,587
SAFETY KLEEN SYSTEMS INC	2,422	-	-	-	2,422
SGS North America, Inc	9,831	-	-	-	9,831
Shelton, Branham & Halbert, PLLC	-	5,000	-	-	5,000
Southern Appalachian Mine Supply, Inc.	-	8,330	-	-	8,330
Strata Safety Products, LLC	8,611	-	-	-	8,611
Suddenlink	3,260	208	-	-	3,468
Sunset Digital Holding LLC DBA Point Broadband	768	-	-	-	768
TDS	1,571	-	-	-	1,571
Time Warner Cable	3,173	-	-	-	3,173
Town of Appalachia	310	-	-	-	310
Town of Honaker	95	-	-	-	95
Treasurer of Virginia	6,130	-	-	-	6,130
TRU TECH PRODUCTS LLC	69,546	-	-	-	69,546
Tyler Mountain Water Co, Inc	165	-	-	-	165
United American Security	9,554	-	-	-	9,554
United American Security DbA GardaWorld Security Services	27,157	-	-	-	27,157
UNITED CENTRAL INDUSTRIAL SUPPLY	24,426	-	-	-	24,426
United Industrial Services, Inc.	-	4,500	-	-	4,500
Vanbibber III, Gary	58	-	-	-	58
Verizon	10,591	619	-	-	11,209
Waste Connections of KY	972	-	-	-	972
Water Service Corp of KY (Utilities Inc)	47	-	-	-	47
Windstream	8,040	493	-	-	8,533
WV Bureau of Employment Programs	-	1,910	-	-	1,910
WV STATE TAX DEPARTMENT	6,034	-	-	-	6,034
Xerox Corporation	485	-	-	-	485
<b>Subtotal - August Post-Petition</b>	<b>2,242,234</b>	<b>171,185</b>	<b>-</b>	<b>-</b>	<b>2,413,420</b>

**BLACKJEWEL, LLC**  
**Income Statement**

	<b>AUG 19</b>
<b>RAW TONS PRODUCED</b>	<b>423,844.00</b>
<b>CLEAN TONS PRODUCED</b>	<b>423,844.00</b>
<b>% YIELD</b>	<b>100%</b>
<b>PURCHASED COAL</b>	<b>0.00</b>
<b>SALES FINAL</b>	<b>447,951.00</b>
<b>SALES BJMS</b>	<b>0.00</b>
<b>ENDING INVENTORY BJMS</b>	<b>599,774.36</b>
<b>REVENUE:</b>	
<b>TOTAL REVENUE</b>	<b>5,171,121.53</b>
<b>COST OF GOODS SOLD:</b>	
5010 · Hourly Payroll	453,295.20
5020 · Salary Payroll	398,474.18
5030 · Fringe Benefits	364,585.19
5036 · Workers Compensation	646,352.00
5040 · Vehicle Rental	800.00
5100 · Diesel Fuel	174,246.64
5101 · Lubricants	5,863.53
5102 · Explosives	20,203.38
5103 · Roof Control	0.00
5105 · Magnetite	0.00
5110 · Other Supplies	31,906.16
5200 · R&M Parts	151,133.86
5201 · R&M Labor	-19,113.12
5203 · R&M Tires	11,550.00
5300 · Rentals	83,965.60
5301 · Contractor Services	76,354.54
5302 · Professional Services	13,472.04
5303 · Security	342,037.08
5304 · Analysis	15,199.04
5305 · Permitting	0.00
5306 · Electric	869,163.06
5307 · Phone/Internet	28,181.10
5308 · Utilities Other	0.00
5309 · Insurance	322,258.11
5310 · Bonding	0.00
5311 · Property Taxes	334,450.69
5312 · Depreciation	4,712,903.51
5313 · Sales Tax	115.07
5314 · Accretion	574,086.73
5315 · Penalties & Fines	2,375.89
5316 · Mine Development & Acc. Rec.	-18,414.37
5318 · Safety	699.32

**BLACKJEWEL, LLC**  
**Income Statement**

	<b>AUG 19</b>
5319 · Purchased Coal	0.00
5399 - Allocations	0.00
<b>Total Controllable Costs</b>	9,596,144.43
<b>Total Cash Expenditures For Mining</b>	4,309,154.19
	\$ 9.62
5050 · Trucking Costs	0.00
5060 · Processing Cost	482,786.94
5400 · Lease Royalties	665,681.10
5402 · Federal Excise Tax	-237,663.36
5403 · OSM Fees	122,643.64
5404 · Severance Tax	520,321.00
5405 · Depletion & Amortization	73,464.83
5408 · Interest Expense	-122,678.07
5409 - Accrued Royalties & Taxes	0.00
5501 - Travel	2,800.00
Coal Inventory Adj	149,839.09
5600 · BJMS Expense	0.00
<b>Total Uncontrollable Costs</b>	1,657,195.17
<b>Total COGS</b>	11,253,339.60
<b>Gross Profit</b>	-6,082,218.07
<b>Expense</b>	
6000 · SG&A	704,087.26
6300 · Professional Services	3,483,938.56
6600 · Insurance Expense	78,930.09
6602 · Interest Expense	-1,625,817.28
<b>Total 6000 · SG&amp;A</b>	2,641,138.63
66900 · Reconciliation Discrepancies	0.00
<b>Total Expense</b>	13,894,478.23
<b>Net Ordinary Income</b>	-8,723,356.70
<b>OTHER INCOME/EXPENSE</b>	7,123,210.28
<b>Net Income</b>	-1,600,146.42
<b>Depreciation, Accretion &amp; Interest in Processing Cost</b>	0.00
<b>EBITDA</b>	2,014,922.47
	\$ 4.75
<b>CAPITAL EXPENDITURES</b>	0.00